

DEVELOPING COMMON GUIDELINES FOR ENERGY EFFICIENCY PROGRAM EVALUATION

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PANELISTS:

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SUMMARY:

There are multiple movements afoot to develop new, common evaluation protocols for energy efficiency programs in various geographic areas. The driving force for developing these guidelines is the need of policymakers for evaluation results that they can understand, trust, and use as the basis for informed decision-making. The need has become more pressing with three major changes that have been occurring over the last few years.

- Market transformation programs that have longer-term and less easily measurable impacts on energy usage have become a significant part of energy efficiency program spending.
- New entities are becoming responsible for administering energy efficiency programs and for their oversight. In some cases, entities without evaluation experience are becoming responsible for evaluation
- Integrated resource planning, with its need for highly reliable estimates of program-induced savings, is returning in multiple states.
- Sometimes multiple program administrators/implementers and regulatory bodies are involved, complicating both the processes of gaining agreement on guidelines and assuring consistent usage of them.

Key questions arise as parties try to develop evaluation guidelines, and there are significant differences of opinion on them.

- Should they be guidelines or mandatory rules?
- What processes can be developed to allow for flexibility and improvement?
- To what level of detail is it necessary or useful to prescribe measurement coverage and methods in order to produce evaluations that will meet policymakers' needs?
- How can the guidelines assure that resources will be focused on the areas of greatest uncertainty and importance, appropriately balancing evaluation costs and needs for reliable information for decision-making?

This panel brings together representatives of three efforts to develop evaluation guidelines. They'll give us a brief progress report on major issues they're facing and the solutions they're trying to develop. Then the floor will be open to all to identify additional areas where evaluation guidelines have been or

are being developed, to raise issues they're concerned about, and to discuss potentially useful approaches.

The Consortium for Energy Efficiency develops national programs in which large numbers of program administrators participate. Obviously, it would be helpful if these programs could be evaluated on a fully coordinated national/local level, rather than piecemeal, under different rules in different places. CEE is working with its members who are interested in the development of common guidelines. One major goal is to have highly credible guidelines that can be presented to various state regulatory agencies and approved by them, producing common guidelines across multiple states and greater regulatory trust in evaluation results. This issue is under discussion with representatives of the NARUC.

The Northeast Energy Efficiency Partnerships and some of the New England utility companies with operating companies in multiple states are very familiar with the problems of varying regulatory requirements across states. These organizations work within a long history of energy efficiency program administration, oversight, and evaluation in the region. Developing evaluation guidelines that would be accepted by multiple states in New England has been a long-held but elusive goal.

In California, a large project to develop a new set of protocols for evaluation is underway, mandated by the California Public Utilities Commission. It's to be completed this year and will include protocols for impact and process evaluation of individual programs and analysis of the markets in which they operate. The process is complicated by uncertainty over how energy efficiency programs will be administered in the future and who will be responsible for evaluation.